## UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF MISSOURI

	)	
LLEN,	)	
Debtor.	)	Bankruptcy Case No. 04-50195
RHONDA J. LEWALLEN, Plaintiff,	)	Chapter 13
	)	Adversary Proc. No. 05-5013-jwv
	)	
	)	
LLC, and	)	
NAL ASSOCIAT	ION,)	
ce Home Equity	)	
•	)	
Defendants.	)	
	Debtor.  Plaintiff,  LLC, and NAL ASSOCIAT ce Home Equity	Debtor. ) Plaintiff, ) LLC, and ONAL ASSOCIATION, ce Home Equity )

## MOTION TO APPROVE COMPROMISE AND SETTLEMENT

COMES NOW Plaintiff/Debtor Rhonda J. Lewallen and moves this Court to approve a compromise and settlement of the claims existing between Rhonda J. Lewallen, Green Tree Servicing LLC, ("Green Tree") and U.S. Bank Trust National Association ("U.S. Bank") in the above-referenced case. In support of her Motion, Debtor states as follows:

- 1. On February 23, 2004, Rhonda J. Lewallen filed a Petition with this Court seeking relief pursuant to Chapter 13 of the Bankruptcy Code. On May 24, 2005, Rhonda Lewallen filed an adversary proceeding against defendants Green Tree Servicing LLC and U.S. Bank Trust National Association in the above-referenced cause, objecting to the Amended Proof of Claim filed by Green Tree with respect to a mortgage loan on the debtor's residence, and raising additional claims. On March 11, 2008 the cause was tried before this Court and taken under advisement.
  - 2. Rhonda Lewallen, Green Tree Servicing LLC, and U.S. Bank have reached a

Case 05-05013-jwv Doc 96 Filed 05/03/08 Entered 05/03/08 10:34:52 Desc Main Document Page 2 of 3

proposed compromise and settlement of the claims existing between the parties, and have entered into a Memorandum of Understanding and Settlement Agreement, subject to this Court's approval. The Agreement would resolve all claims pending in the aforesaid adversary proceeding, including Ms. Lewallen's objection to the Amended Proof of Claim, and other claims existing between the parties.

3. Under the terms of the proposed settlement, Rhonda J. Lewallen and Green Tree would enter into a Loan Modification Agreement and Modification of Deed of Trust with respect to Rhonda Lewallen's home, whereby the Note and Deed of Trust would be modified to reflect a principal balance of \$35,000, with no arrearage due as of April 20, 2008, and a modified interest rate of 8%. Green Tree would waive any right to receive funds presently held by the Chapter 13 Trustee, but would be entitled to retain all Chapter 13 Plan payments previously paid to it by the Chapter 13 Trustee in addition to all sums directly paid to Green Tree by Rhonda Lewallen. Defendants would pay no monetary damages to Rhonda Lewallen, although Green Tree would pay \$1,934.57 to Legal Aid of Western Missouri in partial reimbursement for litigation expenses incurred in the above case. With the exception of these costs, each party would bear their own costs and fees. The parties would execute mutual releases of liability and all claims pending in the above-referenced lawsuit would be dismissed with prejudice as to both defendants Green Tree and U.S. Bank.

WHEREFORE, Rhonda Lewallen moves this Court to approve the terms of the proposed Settlement Agreement, and for such other and further relief as this Court deems just and proper.

Respectfully submitted.

/s/ Susan Kephart
SUSAN KEPHART, Bar No. 27907
Legal Aid of Western Missouri
1125 Grand, Suite 1900
Kansas City, MO 64106
(816) 474-6750; Fax: (816) 474-9751
skephart@lawmo.org
Attorney for Plaintiff

## Certificate of Service

I hereby certify that on this 3<sup>rd</sup> day of May, 2008, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which sent notification of such filing to David G. Wasinger, Attorney for Defendants.

/s/ Susan Kephart
Attorney for Plaintiff